

MEETING OF THE TRANSPORTATION AUTHORITY OF MARIN

THURSDAY, NOVEMBER 18TH, 2004

Commissioners Present: Hal Brown, Marin County Board of Supervisors
Cynthia Murray, Marin County Board of Supervisors
Steve Kinsey, Marin County Board of Supervisors
Lew Tremaine, Fairfax Town Council
Al Boro, San Rafael City Council
Dick Swanson, Mill Valley City Council
Melissa Gill, Corte Madera Town Council
Peter Breen, San Anselmo Town Council
Joan Lundstrom, Larkspur City Council
Paul Albritton (Alternate), Sausalito City Council

Commissioners Absent: Alice Fredericks, Tiburon Town Council
Jerry Butler, Belvedere City Council
Pat Eklund, Novato City Council
Tom Byrnes, Ross Town Council
Annette Rose, Marin County Board of Supervisors
Susan Adams, Marin County Board of Supervisors

Staff Members Present: Craig Tackabery, TAM Executive Director
Art Brook, Senior Transportation Engineer, Marin County DPW
Dean Powell, Principal Transportation Planner, Marin County DPW
Jack Baker, Senior Transportation Engineer, Marin County DPW
Tho Do, Associate Civil Engineer, Marin County DPW
JeriLynne Stewart, Recording Secretary

Chair Steve Kinsey called the Transportation Authority of Marin Meeting to order at 7:40 p.m.

1) Commissioner Matters Not On The Agenda

Chair Kinsey brought up the Regional Transportation Plan (RTP) which MTC goes through each 3 years, required by federal statutes to discuss. MTC will be holding a public workshop/discussion December 2, 2004. Chair Kinsey said there are important issues in the RTP, strongly recognizing the linkage between transportation and land use. He said the total funding available to address our transportation needs remains a challenge, and therefore the concept of 'user fees' is discussed.

Chair Kinsey noted that while many Bay Area transportation tax measures were discussed during last month's election, Supervisor Cynthia Murray was announced as a candidate for State Assembly.

Chair Kinsey commented on the remarkable achievement of the passage of Measure A, and expressed gratitude toward everyone attending tonight's meeting, as well as the community, for their contribution toward the new era we are entering as Marin County residents. He said that we are all representatives of independent bodies, working together toward the challenges which lie ahead for the Transportation Authority of Marin. The next two years may be difficult for TAM, as serious issues, such as sustainable transit programs, must be addressed. We will ask TAM to support the efforts between the Marin County Transit District (MCTD) and the Golden Gate Bridge, Highway & Transportation District (GGBH&TD).

We are starting from scratch; we do not have an organizational structure. Staffing will be required, and we have an enormous amount of responsibilities to attend to. The money we will be handling is taxpayers' dollars, of which we must make ourselves and our books accountable and consistent with our Sales Tax Expenditure Plan (STEP).

The Gap Closure Project is underway and in need of monitoring; the Regional Measure 2 (RM2) Program is just getting started and, our Congestion Management Plan, which we have said we wanted organized as a multi-modal document to reflect this new era, which must be reviewed and approved by the end of next year.

2) Approval of TAM Minutes of October 28, 2004

Chair Kinsey complimented staff on minutes from the October 28th meeting, which capture the feeling as well as the decisions begin made, and consistent with what he thinks TAM should and will be moving into the new era, which is an outstanding system of excellence.

Commissioner Murray moved to approve the minutes. Commissioner Gill requested the addition of the following, page 7, item 10: "... and expressed concern that the fifth member could be put in the position of being a tie-breaker". Commissioner Boro requested the record reflect that a "... 5-story over-crossing" (page 3, item 5) be written as an "... 80-foot over-crossing" of Caltrans' I-580/Route 101 project through the City of San Rafael. Executive Director Tackabery requested the vote for this item be changed to 9/0/3. Commissioner Tremaine seconded motion, with the above revisions. Commissioner Albritton abstained. Motion passed 8/0/1.

3) Executive Director's Report

Executive Director Craig Tackabery congratulated TAM for its success of the passage of Measure A. Listing by precincts, absentee results were 67.8% and actual polls were 72.5%.

The next TAM meeting is the 3rd Thursday (not the fourth) of the month: December 16th.

Executive Director Tackabery attended the Self-Help Counties Conference in southern California. A few days prior to the conference, Mr. Tackabery received a telephone request for his participation on a panel on the development of the expenditure plan. Marin County is the first new self-help County member since 1990, raising the total of California self-help counties to 17. San Mateo passed with 75.5%; Sacramento passed with 74.9%, Contra Costa passed with 70.5%. Sonoma County continues to count their ballots. Solano, Santa Cruz and Ventura counties' measures did not pass.

"Rescue Transportation" is an initiative which was discussed at the conference. It is a proposal to restructure the state government and provide stability for all transportation funds. It will likely be an initiative similar to Prop 1-A. Details on the initiative will be provided at the next meeting.

Another session Executive Director Tackabery attended was "*Project Red Tape Attack*" featuring the shifting of control of local transportation programs. Caltrans is not reorganizing to reflect local control. Local agencies are not trained in developing projects consistent with Caltrans' requirements. The partnership with local agencies is being discussed in every project. There is talk about trying to work with the locals to get them trained, and reorganize Caltrans so that standard operating procedures work more efficiently. Another topic was the shifting of project skills from technical to interpersonal and consensus building. The future looks to cooperative team approaches between locals and state.

The State of Oregon is conducting a pilot project collecting distance-based road-user fees, putting chips in vehicles to monitor how much a person drives.

Regarding the Gap Closure project, the STIP for 2004 was to push back 2002 projects; we were not given any more money. One of our concerns was that of inflation. The CTC set aside some money to account for cost increases of projects. At CTC's October meeting, they voted to increase the amount of money available for some STIP projects. It is on the agenda for the December 9th CTC meeting to allocated \$1.9M to Marin.

Mr. Tackabery has been asked to make a presentation of Marin's Expenditure Plan process to the SMART Board December 15th.

Commissioner Murray recently returned from the CEAC conference, and reported that bonds from Prop 68 & 70, from which revenues from casinos would be derived, were to be sold as junk bonds. Therefore, proceeds will not be \$1.3M.

Chair Kinsey said that at MTC, committee members received a draft of the legislative agenda, and suggested that a copy of their draft agenda be reviewed by staff and to have them report to TAM's commission at the December 16th meeting.

4) Commissioner Reports

a. Executive Committee – Chair Kinsey

We began by understanding the complex, multi-faceted responsibilities as TAM as we revise our organizational structure as a transportation authority and a CMA. We need to participate with the transit district in the short-range transit plan. TAM needs to develop a strategic plan.

b. SMART – Commissioner Breen

The meeting was canceled this month. They are moving ahead with their EIR/EIS.

c. Marin-Sonoma Narrows Policy Advisory Group (PAG) – Commissioner Murray

The Policy Advisory Group will meet December 15th at 3:00 pm in Novato, at the City Council Chambers.

5) Approval of Revised Local Streets and Roads, Surface Transportation Program (STP) Projects

The staff report outlines TAM's approval in July, 2004 of a program of projects for submittal to the MTC. MTC requested the program be amended because they found some projects ineligible. Staff distributed the funds to the agencies that had the greatest reduction in the STIP project deletion and developed the revised distribution.

Commissioner Murray moved to approve the revised local streets and roads, Surface Transportation Program (STP) Projects for FY 2005-06 and 2006-07 (as shown in Exhibit A). Commissioner Lundstrom seconded the motion. Motion passed 9/0/0.

6) Measure A Next Steps

a. Board of Equalization

The day after the election, via resolution, we began instructing the Board of Equalization to begin collecting taxes April 1, 2005.

b. 101 HOV Gap Closure

The plans are near completion, yet there are subtle changes to the plans reflecting local interests, such as the soundwall relocation, bike path, landscaping, noise abatement. We have a cooperative

agreement in place with Caltrans to stabilize the funding. We adopted an agreement to put our federal money to use. Caltrans' suggestion was to amend the agreement and include the Measure A funds. We plan to bring to TAM a draft strategy of how to include this piece.

i. Appointment of 101 HOV Carpool Lane TAM Subcommittee

This subcommittee would be a joint subcommittee which monitors the progress of the completion of the HOV lanes, the soundwall, the flyover, etc. Chair Kinsey suggested the subcommittee be comprised of Commissioners Boro, Adams, and Brown.

c. Short-Range Transit Plan Development

Marin County Transit District (MCTD) Manager Amy Van Doren outlined a short-range transit plan and its development, and what is normally required. Ms. Van Doren suggested conducting a market analysis and looking at emerging plans.

The major components of a short-range plan include identifying issues and challenges and major objectives:

- Corresponding public involvement
- Performance monitoring program
- Meeting financial needs and objectives
- Capital improvement

Ms. Van Doren discussed investigating options such as alternative forms of service delivery and different types of service vehicles. Decisions will need to be made as to the continuation of a contractual relationship with GGBH&TD. In our new contract with GGBH&TD effective November 1, 2004, a decision must be made on whether GGBH&TD should continue to be the operator for local service within 12 months.

Chair Kinsey expressed this as a fundamentally critical responsibility of TAM. He said the issue is about how TAM is to deliver service in the County. The current program is not sustainable. This next year becomes the time during which the MCTD must sort through and come up with an approach which is viable and long-term.

As an independent district, the MCTD could, under the vote of the people, be merged into the body of TAM. In the interest of TAM, and to ensure sales tax dollars are spent conceptually in the manner laid out in the STEP, it would be appropriate for TAM and the MCTD to have a joint body, a subcommittee of each agency, working with the consultant to develop recommendations brought back to each of the bodies. Chair Kinsey's concern is that if TAM instructed the MCTD to bring a short-range transit plan to TAM Commissioners, and TAM wasn't satisfied or felt there were different priorities to attend to, the amount of time spent to first conduct the work, then bring it back to the Commissioners for review would put the process out of sync regarding the critical time line with the GGBH&TD. TAM needs to have a strong voice in what would typically be the transit operator's responsibility to develop.

TAM did create a joint committee, during GGBH&TD negotiations, featuring 3 members of the MCTD (Supervisor Rose, Supervisor Kinsey, Dick Swanson, and Paul Albritton in an alternate capacity) who met with TAM members (Melissa Gill, Lew Tremaine and Pat Eklund). Chair Kinsey recommended this group, or an expansion thereof, continues to assist with the development of a short-range transit plan. Commissioners Tremaine and Brown fully agreed with Chair Kinsey. Commissioner Brown suggested MCTD has only 6 to 8 months to complete the development of the plan, with need for a lot of discussion. Commissioner Murray also agreed with Chair Kinsey, suggesting the joint meetings would lend cohesiveness and efficiency to the planning process.

Commissioner Swanson questioned the scope of the short-range transit plan, including a reevaluation process given the time frame. Chair Kinsey said that if we do not have a sustainable system, the only way to achieve one is to evaluate the cost-effectiveness of what we have, and prioritize.

Because of discussion during the recent TAM Executive Committee meeting, there are a number of different planning processes at work. TAM needs to assemble a staff and design an organization based on a 5-year strategic plan that is a requirement for funding. There will be a meeting of the MCTD to approve the release of an RFQ to hire a consultant to work with TAM. The consultant should be hired by February 2005, which would give the committee from between February 2005 to December 2005 to develop parts of the strategic plan. Commissioner Swanson said there are a number of federal requirements to adhere to for the transit plan; Ms. Van Doren is to prepare the RFQ according to the requirements, prior to releasing it.

Don Wilhelm, Marin Conservation League, talked about the letter submitted to Commissioners dated November 15, 2004, expressing concerns about the development of the strategic plan. He said they agreed to the approach of obtaining short-term loans for the MCTD to continue services, yet felt that MCTD should develop an in-house expertise to minimize the need and effort of consultants. Mr. Wilhelm suggested creating a Technical Advisory Committee. He said in reviewing tonight's packet documents, it is not clear from where some of the funding is derived. Considerable detailed information will need to be provided on the actual operation of the MCTD. It will be important to organize the activities and documentation of the MCTD so that the Citizens Oversight Committee will be able to monitor and properly, publicly report those activities. Mr. Wilhelm's final recommendation was that the MCTD and TAM meetings coincide to facilitate providing information to the public. The approach to date would imply that the MCTD would attempt to minimize operating costs while maximizing service; consideration should be given to the impact of changes in local service which would impact inter-county service, matching what the voters intended with the passage of Measure A.

David Schonbrunn, TRANSDEF, agreed about the desirability of having in-house expertise in transit routing and planning, yet it is more complicated. This is a small agency. The question is about how much work there is to accomplish; it is an item of discretion to ascertain the best use of MCTD funds. He would like to see a process developed to determine how much planning capabilities can be put forth, and included in that the development of an SRTP is a specialized field. In addition, Mr. Schonbrunn spoke about the local service not being sustainable via either agency; he is reminded of the engineering analysis of the flight of the bumblebee; it is the opinion that the bumblebee cannot possibly fly. He would like to hear a presentation on what the costs are, how MCTD got here, and what is it about where we are right now that produced this conclusion.

Commissioner Brown motioned to establish and use the joint committee already formed (as stated above) and to bring recommendation to TAM for the recruitment of consultants by the first of the year. Motion seconded by Commissioner Tremaine. It was noted by Commissioner Albritton that this will be an enormous amount of work. Motion passed 9/0/0.

Commissioner Murray expressed the fact that current committees are going to be doing an increasing amount of work; that rather than the full body of TAM doing all of the work, delegation will be to the subcommittees. Each Commissioner will need to pick up the load and the activities, where and when they are able; meetings will be needed much more than just once a month.

d. Transition Planning Appointment of Interim Subcommittees

Executive Director Tackabery talked about the multiple planning processes involved. He said he looked to other counties to determine what Marin's next steps might be. On a similar timeline to MCTD's, he sees the same need for organizational and strategic planning. MCTD has a staff of one!

Mr. Tackabery recommends the following:

- Hiring prime consultants and/or a consultant team, possibly packaged together, to create a broad system, to not only look at Measure A funds but also federal and STIP funds
- We need to set up agreements with our claimants. We need to set up performance standards for each city/town; establish recording/reporting methods, which need to be developed quickly
- Filing system
- Organizational assessment to look at the type of staffing TAM should have and the skills it needs; the same is needed for MCTD; possibly both can be assessed at the same time
- TAM going off on its own; office assessment is needed
- Possibility of an independent staff, yet set up contractual agreements with the County for legal, payroll, accounting services, retirement plan
- Strategic Plan; developing a Measure A cash flow system, integrating into it the CMP for short-range transportation funding
- Outreach plan, to work with the public during each and every step
- Bi-Annual budget; updating every 2 years
- Form two committees: a Technical Advisory Committee to review infrastructure investments and a Citizens Oversight Committee
- Hire a financial advisor, i.e., to determine financing for the Gap Closure, etc.
- Finally, staff recruitment

Chair Kinsey said the first step is to draft an RFQ to release sooner rather than later. There will be a recruitment period of a couple months, including response and screening. Chair Kinsey recommends utilizing the TAM Executive Committee to work with staff on this process, and ultimately look at permanent staffing structure solutions. Realistically, this transition period should take approximately 18 months, taking TAM through FY 2005-06. Chair Kinsey asked if the RFQ could be issued after TAM's February 2005 meeting. Mr. Tackabery explained that an RFQ draft could be provided to TAM by the December 16th meeting. An RFQ is a qualification package where TAM would select a firm based on qualifications, then TAM would negotiate with them for services. An RFP is a set of written proposals and fees.

Commissioner Swanson said that because of TAM's funding responsibilities to MCTD, it is important that TAM fulfill its oversight responsibility to the MCTD. He suggested utilizing the RFQ process to establish a stable of consultants and task them, as needed.

Commissioner Brown questioned the organizational structure process; Mr. Tackabery said that he would like to see a consultant hired to look at all of the agency's responsibilities, talk to other counties to see what has and hasn't worked, and recommend what is ultimately the best for TAM. The task of managing the qualifications of consultants could be large. Chair Kinsey said these issues could be resolved by reviewing them with staff. Commissioner Boro used the Water Transit/Transportation (?) Authority (WTA) as an good example of how we might considering modeling our agency, and to acquire a "super" oversight consultant for planning, etc.

Commissioner Boro motioned for staff to present a draft RFQ to TAM at the December 16, 2004 meeting, relying on the Executive Committee to fine-tune the draft as its meeting on December 8, 2004. Commissioner Swanson seconded the motion. It was noted by Commissioner Albritton to cast a wide net, to go beyond 'local consultant pool' borders, regarding the RFQ's. Motion passed 9/0/0.

- 7) TAM/Marin County Transit District Subcommittee Report; Measure A Funding Request From MCTD, Funding Agreement with The County of Marin, Budget Amendments

Chair Kinsey said the TAM Executive Committee, RM2 Committee, the Gap Closure Committee, and the Joint MCTD/TAM Subcommittee will be committees on whom TAM will rely to provide continual updated feedback. Under the strategic plan, organizational structure and staffing will be addressed. The Citizens Oversight Committee (OC) format etc. can be addressed once the RFQ's have been processed. The OC can hopefully be formed by March or April 2005, and will begin to review the activities of TAM prior to the end of the fiscal year. Chair Kinsey said there is no need for additional committee appointments at this time.

TAM must work extremely diligently, and rely on the continued work of staff in the near-term, to ensure the TAM creates a cost-effective, transparent expenditure plan. Yet TAM must now work quickly to meet the obligations and structural funding relationships between GGBH&TD and the MCTD.

Executive Director Tackabery first brought typographical errors to the Commission's attention, stating that in the 2nd paragraph of the November 18th 2004 letter to the Commission, the date should be "2004," and in the 2nd paragraph of the Resolution 2004-07 Attachment 4, the date should be "2005."

The Joint MCTD/TAM Subcommittee recently reviewed the negotiations conducted during the past 9 months between GGBH&TD and MCTD. Going back to 2003, Chair Kinsey reminded the Commission of the GGBH&TD services cuts; to reduce impact to riders, local and regional routes were treated as one system. When it came time to allocate costs, it was apparent that a responsible entity was needed for the different routes. We cannot depend upon two different agencies sharing that authority. The GGBH&TD negotiating committee, working closely with the Joint Subcommittee, represents the revised negotiated contract to be reviewed by both districts this week. Its feature pays for service between November 2003, and April 2005. It establishes a new hourly rate, and defines regional and local service, and four transitional routes occurring along the Highway 101 corridor. Chair Kinsey recommends supporting the funding and operational agreements.

Executive Director Tackabery said staff chose elements which are ongoing to present to TAM tonight, as shown in Attachment 3. The Strategic Plan will balance the expenditures over a 5-year period, yet the allocations recommended give TAM just enough money to keep listed programs in place. He said the Resolution requesting the borrowing of funds from the County is for a dry period loan. We are allowed to borrow against the County Treasury for expenditures this fiscal year based on revenues forecasted to be received this fiscal year, via this Resolution.

We do not have enough money to pay for all of the expenditures planned this year. Mr. Tackabery recommended pulling #3 from this item. We have \$1.3M to cover our expenses with the dry period loan, therefore it is not urgent that we have something in place; he and staff would like to review other options. He recommended striking the last portion of #4 which states "... and \$800,000 in loan proceeds", and striking the last portion of #5 which states "... and interest payments on the Funding Agreement of \$12,000.

Amy Van Doren spent the past several months drafting the cash flow and budget strategies, which would be implemented immediately if, Measure A failed. If Measure A failed, it would have cut the transit system in half.

Commissioner Murray motioned to 1) review and concur on the short term funding strategy contained in the spreadsheet titled, "Measure A Cash Flow"; 2) approve the Resolution authorizing a request to borrow funds for the amount of \$1,300,000; 3) increase FY 2004/05 budgeted revenue by \$1,650,000 in projected sales tax proceeds, and 4) increase FY 2004/05 budgeted expenditures for Administration, Strategy 1, Programs 1, 2, and 3 as outlined in "Measure A Cash Flow." Commissioner Lundstrom seconded the motion. Motion passed 9/0/0.

- 8) Measure A Cooperative Agreement with the Marin County Transit District and Allocation to Marin County Transit District for Projects Funded Under Strategy 1

Executive Director Tackabery explained that the Cooperative Agreement was modeled after Contra Costa County's program, which draws up Cooperative Agreement with each claimant, and then adopts funding allocation resolutions. The resolution provides funding for the programs discussed in the previous agenda item. This Agreement can be reevaluated at a future date. County Counsel reviewed the Agreement for both the MCTD and TAM.

Commissioner Boro motioned to 1) adopt the Cooperative Agreement No. 2004-01 between the TAM and MCTD for programs funded through Strategy 1 of Measure A, the Marin County Sales Tax Expenditure Plan, and 2) adopt Resolution 2004-06 allocating Measure A, Strategy 1 funds for the period November 1, 2004 to June 30, 2006. Commissioner Breen seconded the motion. Motion passed 9/0/0.

Commissioner Swanson raised concerns as to how often the Cooperative Agreement would be reviewed, revised, or renewed. Mr. Tackabery explained that Contra Costa County's Agreement is for 20 years; it is the Resolution which modifies the expenditure details.

Chair Kinsey recommended the Commission look at the larger planning efforts occurring within the region. As the Regional Transportation Plan's process has its own timeline, we see that local Congestion Management Agencies are called upon to affect changes. We need to coordinate our own revised planning to be consistent and compatible with regional efforts.

- 9) Suggestions for Future Agenda Items

None.

- 10) Open Time for Items Not On The Agenda

TRANSDEF's David Schonbrunn said the action(s) taken tonight represent the biggest commitment of funds happening since 1991; these are very significant. There has been no discussion at all as to what the negotiations were like, however, with the GGBH&TD. Members of this body deserve to understand which issues created struggle for both sides, in particular, what does it mean that the operations are not sustainable for either agency?

Chair Kinsey commented that the forum for discussion (on agenda items 7 and 8) is where the Joint Subcommittee will take up issues related to the contract between MCTD and GGBH&TD. The points related to the negotiation were presented to the TAM for an understanding as to what the issues were; there was a consensus that the negotiation recommendation from that negotiating subcommittee should be brought forward to TAM.

As to the issue of struggle regarding the unsustainability of transit operations, which has been underway for nearly 30 years, there are a series of factors at work. The GGBH&TD recognized its role in providing a long-term financial plan; it was not sustainable. Two years ago, the GGBH&TD "reined-in" their expenses relative to their revenues; in conjunction, ridership was increasing, as were personnel, gasoline, and insurance costs. Therefore, the GGBH&TD saw the need to provide a revised formula for allocating the number of hours of operation, etc. The GGBH&TD is not allowed to use bridge tolls to subsidize local transit service. In the process of creating a more transparent and more manageable way of tracking its expenditures, it has led the GGBH&TD to assign its costs in ways, which have dramatically increased the hourly rates for services requested by the MCTD. There is a relationship between regional and local service, which needs to be better understood. There are

federal labor laws which are contractual, plus other considerations. Therefore we have agreed to an 18-month contract under these terms. We have agreed to resolve whether we come up with a different funding structure or different revenue sources to be able to work better together.

Commissioner Swanson indicated that negotiations have been intense yet collaborative. It is not so much that the agreements are not sustainable, it is the fact that the underlying transit service has been divided, and cannot be maintained or continue to be divided. Both organizations are committed to maintaining and providing as much transit service as possible, yet within the financial capacity, which we have, and within the capacity as to what the GGBH&TD is able to contribute from its sources. The only thing unique about Marin is that the GGBH&TD was contracted by MCTD to provide local service. Other Bay Area transportation operations, such as BART or AC Transit, are special districts whose services are contained within their boundaries. They do not contract their service.

Deb Hubsmith with the Marin County Bicycle Coalition invited everyone to the 7th Annual Big Bike Bash at the Mill Valley Community Center from 6pm to 10pm, which features a buffet dinner and awards ceremony. Supervisor-Elect Charles McGlashan will be the guest speaker. Last year's event drew 400 attendees.

10) Open Time for Items Not On The Agenda

None.

Chairman Kinsey adjourned the TAM meeting at 9:22 p.m.